

E 023/033
* S 023/041

**SPENST HANSEN
44 WEST BROADWAY, SUITE 704
SALT LAKE CITY, UTAH 84101**

A August 9, 2001

**D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program
Utah Department of Oil Gas and Mining
1594 West North Temple St.
Salt Lake City, Utah 84114**

Hand delivered

Dear Mr. Hedberg

Enclosed herewith is a notarized affidavit pursuant to your request in your letter of May 30, 2001, and pursuant to my conversations with Tom Munson of your office.

We are diligently continuing to comply with the directions of Mr. Munson in carrying out the requested reclamation. The ~~most~~ Grand Central tunnel has been reclaimed by filling and is presently completely sealed. The other items are still under construction, but completion is anticipated prior to the end of September, 2001.

The cooperation of your office is much appreciated.

Yours Truly


Spenst Hansen

RECEIVED
8/9/2001
**DIVISION OF
OIL GAS AND MINING**

AFFIDAVIT OF SPENST HANSEN

STATE OF UTAH)
) : ss
COUNTY OF SALT LAKE)

I, SPENST HANSEN, being first duly sworn upon my oath, do hereby depose and state the following:

1. I am the president and chief executive officer of Keystone Surveys, Inc., a Utah corporation ("KSI"), Mammoth Mining Company, a Nevada corporation ("MMC"), and the Mammoth Town Development Corporation ("MTDC"), a Utah corporation, all of which are authorized to do business in the State of Utah.

2. I am making this Affidavit on behalf of KSI, MMC and MTDC in my official capacity as the president and chief executive officer of each of them.

3. KSI and MMC are the property owners of record of certain real property, located in Juab County, Utah, which is commonly known as the Mammoth Mine area and is covered by Small Mine Permit S/023/041 ("Mammoth Mine Permit Property"), administered through the Division of Oil, Gas and Mining ("DOGM") of the Utah Department of Natural Resources.

4. Mining activities were conducted in the past on the Mammoth Mine Permit Property and some of the mining disturbances have been reclaimed, while others have not.

5. KSI and MMC have given MTDC authorization to supervise and manage a joint project to develop the town of Mammoth into the area covered by the Mammoth Mine Permit Property.

6. MTDC needs to use the existing roads, buildings and structures to implement its town development project.

7. Accordingly, KSI and MMC have requested of DOGM a change in the post-mining land use from what is presently designated in permit S/023/041. Also, KSI and MMC

have agreed to the proposals regarding that change and other reclamation issues that were expressed by DOGM in its May 30, 2001, letter to me.

8. MTDC also agrees, together with KSI and MMC, to carry out its activities and land development operations in conformance with the requested post-mining land uses with respect to the existing structures, buildings and roads that are useable. Further, MTDC agrees to maintain the roads, buildings and structures in implementing its town development project and in complying with the requested post-mining land uses.

9. KSI and MMC shall assume full responsibility for the continued use and maintenance of the above-described features and structures, all existing or future public safety and health concerns covered by Permit S/023/041, and any associated environmental liabilities related to the final disposition of the Mammoth Mine Permit Property.

ACKNOWLEDGMENT OF AFFIANT

DATED this 9 day of August, 2001.


SPENST HANSEN

President and CEO of

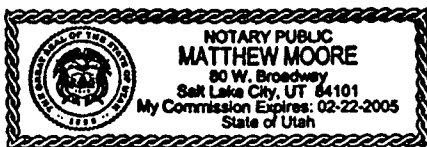
Keystone Surveys, Inc.

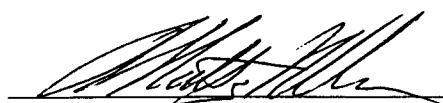
Mammoth Mining Company

Mammoth Town Development Corporation

CERTIFICATE OF ACKNOWLEDGMENT

Subscribed and sworn to before me this 9th day of Aug, 2001,
by SPENST HANSEN.




NOTARY PUBLIC

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